

# KENTUCKY INDIVIDUAL INCOME TAX RETURN **Full-Year Residents Only**

PAIS	Ι '	Name—Last, First, Middle Initial (Joint or combined return, give both names and initials.)	1			100	0	
		Name—Last, First, winding mittal (Joint of Combined Fetallit, give both hames and mittals.)				199	<u>გ</u>	
Use	>			Your Soci	al Securi	ty Number		
Kentucky label if	L A	Mailing Address (Number and Street Including Apartment Number or P.O. Box)	B.					
correct.	В		l _	Spouse's So	ocial Secu	urity Number		
Otherwise print or	E L		A.					
type.	>	City, Town or Post Office State ZIP Code		POLITICA	AL PAR	TY FUND		
		, , , , , , , , , , , , , , ,   ,   ,	Des	signating \$2 wi	II not d	change you	r refu	ınd
	1	□ Single	1	OI	r tax dı	ue.		
FILING STATUS	1	☐ <i>Married</i> , filing separately on this combined return. (If both had income.)			A. Sp	oouse B	. Your	rself
	1	☐ <i>Married</i> , filing joint return.	De	emocratic	(1)	) 🗆	(4)	⊐
(see instructions)	1	☐ <i>Married</i> , filing separate returns. Enter spouse's Social Security	Re	epublican	(2	) 🗆	(5) <b>C</b>	
in Str dottoris,		number above and full name here.	No	o Designation	(3)	) 🗆	(6)	_
CREDITS		Check Regular Check both if 65 or over C	Check be	oth if blind				
_	5	(a) Credits for yourself:		<del></del>	Enter	number of		
	L	(b) Credits for spouse:	□	_		s checked	5	
ש ס	6	List first names of your dependent children who lived with you.				number of		
<u> </u>	١.,	(a) (b) (c) (c	d)			ren listed number of	6	
<u> </u>	′	List name and relationship of other dependents.			other	dependents	. ,	
Stable to Top rage Only	8	Add total number of credits claimed on lines 5, 6 and 7		>	_ listed • Enter		8	
<u> </u>		Each taxpayer must claim his or her own credit(s) from line 5.		A. Spouse (Use a Status 2 is che		R You	ırself	
o B		Credits from lines 6 and 7 may be divided.		Status 2 is ch	ecked.)	(or .	Joint)	7
<u> </u>	9	Enter the number of credits claimed for Column A and/or B	➤					
INCOME	10	Enter federal Adjusted Gross Income from Form 1040, line 33; 1040A, line	18;					
<b>=</b>		or 1040EZ, line 4. This is your Kentucky Adjusted Gross Income						
<u> </u>	11	Standard deduction	11	1,200	00	1,	200	00
		Subtract line 11 from line 10. This is your <b>Taxable Income</b>						
₹ TAX		Enter tax from Tax Table or Tax Computation for amount(s) on line 12						
<u> </u>	1	Add tax amount(s) in Columns A and B, line 13						
Ē	1	Enter Low Income Tax Credit from worksheet in the instructions						
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	17							
	1	Add lines 16 and 17. This is your <b>Total Tax Liability</b>						
ਰ _ _		Enter <b>Kentucky Income Tax</b> withheld as shown on attached 1998 wage and						
<u>a</u>		If line 19 is larger than line 18, enter AMOUNT OVERPAID (see instruct						
ע	21	a Nature and Wildlife Fund Contribution	► (Ente	r amount(s) ch	ecked)			
See		□\$2 □\$5 □\$10 □ Other						
See instruc- tions for a detailed		b Child Victims' Trust Fund Contribution ☐ \$2 ☐ \$4 ☐ Other				_		
a detailed		$\ensuremath{\mathtt{c}}$ Bluegrass State Games and U.S. Olympic Committee Fund Contribution				_		
description of funds.		d Veterans' Program Trust Fund Contribution						T
o. r <b>u</b> rrao.	22	Add lines 21a, 21b, 21c and 21d	•••••		22			
	23	Subtract line 22 from line 20. Amount to be <b>REFUNDED TO YOU</b>		REFUND	23			
_	23	Subtract line 22 from line 20. Amount to be KET GNDED TO TOO		[1121 0111	23		-	
TAX	24	If line 18 is larger than line 19, enter ADDITIONAL TAX DUE			24			
PAYMENT		(a) 2210-K penalty (c) Late payment pena						
SUMMARY		☐ Check if Form 2210-K attached (d) Late filing penalty						
		(b) Interest (e) Add lines 25a through			25e			
	26	Add lines 24 and 25e. Enter here. This is the amount you owe. Make check payab		-	_			
		State Treasurer. Write your Social Security number and "KY Income Tax—1998" (						
		dersigned, declare under penalties of perjury that I have examined this return, includige and belief, it is true, correct and complete. I also understand and agree that our election						
		17:020 will result in refunds being made payable to us jointly and in each of us being jointly						
<b>&gt;</b>		>		<b>1</b>				
Your Signature	(If joi	nt or combined return, both must sign)  Spouse's Signature		Telephor	ne Numb	er (daytime)	Date	e Signed
Typed or printed	l nan	ne of preparer other than taxpayer Social Security or Firm I.D. Number of preparer		Date		fficial Llco		

P B N F R

## **INSTRUCTIONS—FORM 740-S**

Who May Use Form 740-S—Form 740-S may be used by full-year Kentucky residents:

- with income primarily from wages, salaries, tips, unemployment compensation, taxable scholarship or fellowship grants, interest and dividends:
- who do not itemize deductions; and
- who do not have federal/Kentucky income differences.

You must file Form 740 if you have income from business, farming, rental property, capital gains or losses, retirement sources; claim the child and dependent care credit; or itemize deductions.

When and Where to File—The 1998 Form 740-S must be postmarked no later than April 15, 1999, to avoid penalties and interest.

		AP	RIL1	999		
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4	5	6	7.	4 F	<b>9</b>	10
11	12	13	14	15	) 6	17
18	19	20	21		3	24
25	26	27	28	29	30	

Mail to:

Refund/Other Returns Kentucky Revenue Cabinet Frankfort, KY 40618-0006

**Pay Returns** Kentucky Revenue Cabinet Frankfort, KY 40619-0008

#### COMPLETING FORM 740-S—For more information, see the General Instructions.

Please use the Address Labels—These labels contain your Social Security number printed in bar-code format which can be read by the Revenue Cabinet's equipment.

Political Party Fund Designation—You may designate \$2 of your taxes to either the Democratic or Republican party if you have a tax liability of at least \$2 (\$4 for married persons filing joint returns).

Filing Status—Legal liabilities are affected by the choice of filing methods. Married taxpayers may elect Filing Status 2 or 4, even if you filed a joint return for federal tax purposes.

Tax Credits—You are always allowed to claim a tax credit for yourself (even if your parent(s) can claim a credit for you on their return).

## FORM 740-S LINE-BY-LINE INSTRUCTIONS

**Line 10, Adjusted Gross Income**—Enter the total amount of your federal adjusted gross income from your federal income tax return in Column B if Filing Status 1, 3 or 4 is used. Use Column A only when entering your spouse's income on a combined return (Filling Status 2). When using Filing Status 2, Columns A and B, Line 10, must equal your federal adjusted gross income. Each spouse must claim his or her own income and deductions. (Do not confuse federal adjusted gross income with federal taxable income shown on the federal return.)

Line 11, Standard Deduction—You are allowed a standard deduction of \$1,200. (If filing a joint return, only \$1,200 in Column B is allowed.)

Lines 13 and 14—Compute your tax using the following tax rate schedule.

If taxable income is: Tax before credit is:

\$4,000 — \$4,999 \$5,000 — \$7,999	3% of taxable income minus \$30 4% of taxable income minus \$70 5% of taxable income minus \$120
\$8,000 and up	6% of taxable income minus \$200

Deduct \$20 for each tax credit claimed from the amount computed above. Each spouse must claim all of his or her own credits. Therefore, each spouse must claim at least one credit. Credits for dependents may be divided between the spouses, or one spouse may claim all the credits for dependents and the other none. This is your tax liability. Your tax cannot be less than zero.

Example: (Taxable income)  $\$8,500 \times 6\% - \$200 =$ \$310 - \$20 (tax credit) = \$290

**Note:** An optional tax table is available for your convenience by calling the Revenue Cabinet, (502) 564-4581.

Line 15, Low Income Tax Credit—A low income tax credit is allowed to single persons and married couples whose combined Kentucky adjusted gross income, Line 10, is not over \$25,000. Complete

the following worksheet to determine your low income tax credit.

Caution: Married couples who file separate returns or separately on a combined return—If you are married and living with your spouse, you must add your and your spouse's Kentucky adjusted gross income together to find the correct low income tax credit percentage. If the total is greater than \$25,000, you do not qualify for this credit.

If the am on line c be		Enter decimal amount on line e
over  \$ 5,000 \$10,000 \$15,000	but not over \$ 5,000 \$10,000 \$15,000 \$20,000	1.00 (100%) .50 (50%) .25 (25%) .15 (15%)

- Enter the amount from Column B, Line 10, but not less than zero.
- Enter the amount from Column A, Line 10, but not less than zero. (If you are using Filing Status 4, enter the amount from Column B, Line 10, of your spouse's separate return.)
- Add Lines a and b.

If over \$25,000, you do not qualify for this tax credit. Do not complete the worksheet; skip Line 15.

### Computation of Low Income Tax Credit

- Enter tax amount from Line 14.
- Enter decimal amount from table above that applies to adjusted gross income on Line c.
- Multiply amount on Line d by decimal amount on Line e. Enter result on Line 15. This is your Low Income Tax Credit.

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Line 17, Tax on Out-of-State Purchases (Use Tax)—If, during the year, you made any purchases out of state of tangible personal property for use in Kentucky on which sales tax was not charged, you must report Kentucky use tax on those purchases, pursuant to KRS 139.330. Multiply total purchase price by .06 and enter on Line 17.

Line 19, Kentucky Tax Withheld—Enter the amount of Kentucky income tax withheld as shown on your 1998 wage and tax statements.

These statements must be attached to your return. Make sure you file the copy designated to be filed with your state return. Do not include amounts withheld by your employer for other states, city or local government occupational, license or income taxes on Line 19. File a return with the other state to claim credit for the other state's tax

withholding.

Line 20—If the amount on Line 19 (Kentucky Tax Withheld) is more than the amount on Line 18 (Total Tax Liability), you have an overthan the amount on Line 18 (Total Tax Liability), and the second subtract Line 18 from Line 19 and payment and are due a refund. Subtract Line 18 from Line 19, and enter the difference on Line 20 as an overpayment. If your Total Tax Liability on Line 18 is larger than Line 19, see instructions for Line 24.

Line 21—If you show an overpayment on Line 20, you may contribute to any or all of the funds listed.

Enter the amount(s) you wish to contribute on Lines 21(a), 21(b), 21(c) and/or 21(d). The total of these amounts cannot exceed the amount of the overpayment.

Line 22—Add amounts on Lines 21(a), 21(b), 21(c) and 21(d). Line 23—Subtract the amount of donations, if any, on Line 22 from the amount of the overpayment on Line 20. Enter the difference on Line 23. This is the amount of your refund. If all of the overpayment is

donated, enter zero on Line 23.

Line 24, Additional Tax Due—Subtract Line 19 from Line 18 and enter the difference on Line 24. This is your additional tax due before

penalties and interest.

Line 25(a), Underpayment of Estimated Tax Penalty—If the amount owed is more than 30 percent of the income tax liability on Line 16, you may be subject to an underpayment of estimated tax penalty. The amount of the penalty may be calculated on Form 2210-K. If at least \$500 of additional tax is due, you may be required to make esti-

mated tax payments during 1999.

Line 25(b), (c) and (d), Interest and Penalties—File your return and pay any additional tax due by April 15, 1999, to avoid interest and penalties. See the General Instructions or contact the Revenue Cabi-

net for additional information.

Note: Penalties but not interest may be reduced or waived if rea-

sonable cause for reduction or waiver can be shown.
Line 26, Amount You Owe—You must pay any tax due shown on Line 26. Make check payable to **Kentucky State Treasurer**, and attach it to your return. On the face of the check please write "KY Income Tax—1998" and your Social Security number(s).

Signature—Each return must be properly signed by the taxpayer. Joint and combined returns must be signed by both husband and wife.